

## II. INTRODUCTION

4. *Intrado currently is authorized to provide competitive telecommunications services in 21 states, and Intrado has reached a negotiated regional interconnection agreement with one Regional Bell Operating Company and an arbitrated agreement with Illinois Bell Telephone Company d/b/a Ameritech Illinois. Intrado offers telecommunications services that facilitate, enhance, and advance the provision of emergency services throughout the United States to end users of wireline and wireless service providers; telematics companies (e.g., On Star) and their customers; governmental and municipal entities; and other business and residential customers, including PBX customers.*

4. Verizon admits the first sentence of the fourth unnumbered paragraph in the Petition, ~~but denies the second sentence of that paragraph, as phrased. Specifically, Verizon denies that Intrado offers "telecommunications services" as defined in 47 U.S.C. § 153(46).~~

5. *Specifically, Intrado aggregates and transports, via switching, traditional and nontraditional emergency call traffic to appropriate selective routing tandems where such traffic is then transported to the appropriate Public Safety Answering Point ("PSAP"). Aggregating emergency call traffic reduces the number of facilities that must interconnect with the incumbent local exchange carriers' ("ILECs") selective routing tandems, resulting in more efficient use of the telecommunications network. Such aggregation also reduces the ILEC's administrative responsibilities: rather than coordinate and interconnect with multiple service providers individually, the ILEC need only coordinate and interconnect with Intrado in order to handle the emergency call traffic from multiple service providers. In addition, Intrado's service offerings ensure that emergency call traffic will be passed to the ILEC's selective routing through redundant, self-healing facilities provided by Intrado.*

5. Verizon denies the allegations made in the fifth unnumbered paragraph of the petition, as phrased. ~~The aggregation that Intrado seeks would involve a rebuild of Verizon's network, creating additional points for potential failure and, as a result, could have a detrimental impact on public safety. Accordingly, Verizon's administrative responsibilities could increase not decrease.~~

6. *In order to provide the aforementioned services, Intrado must interconnect its network with the ILECs that have connections with and provide 9-1-1 services to the PSAPs. Thus, pursuant to the Act, Intrado seeks to interconnect its network with Verizon's network at every Verizon Selective Routing Tandem (a/k/a 9-1-1 Tandem) in Verizon's operating territories. Intrado seeks to interconnect with Verizon's Selective Routing Tandems, just as other competitive carriers do to provide their customers with 9-1-1 and emergency services.*

6. Verizon denies the allegations made in the sixth unnumbered paragraph of the Petition, as phrased. ~~Specifically, much of what Intrado seeks falls beyond the scope of 47 U.S.C. § 251 et seq.~~

7. *In addition, Intrado seeks to interconnect its ALI nodes with Verizon's ALI nodes (i.e., ALI Steering) so that PSAPs can access callers' location information where such information resides in Intrado's ALI nodes. ALI connectivity arrangements are not new to Verizon, for Verizon provides ALI Steering services today for its wireless affiliate, other wireless providers, and other telecommunications carriers. In California, Verizon performs ALI Steering for landline calls between its ALI nodes and other providers' ALI nodes. Intrado seeks the same ALI node connectivity functions, as well as the physical interconnection arrangements and access to unbundled network elements necessary to provide Intrado's service offerings, pursuant to an interconnection agreement consistent with the Act.*

Markets representatives. The meeting had been previously scheduled with Verizon representatives from other divisions in the company, as part of Intrado's marketing efforts to Verizon. Coincidentally Verizon's technical SME was scheduled to be a part of that meeting. Although Intrado's negotiator (Rebecca Boswell) suggested that, if possible, a conference call with Verizon's SME and Intrado's representatives could be arranged then to begin technical discussions of the Interconnection Agreement E 9-1-1/9-1-1 Attachment. Due to time and schedule constraints, this call did not take place.

11. *Despite Intrado's explanation, Verizon remained confused. Verizon representatives questioned whether there was a market for Intrado's ECN services and whether Intrado had a "viable product." Verizon's representatives also raised concerns that Intrado's interconnection needs fell outside of § 251. Intrado reiterated to Verizon that Intrado was seeking interconnection just as any other CLEC. To dispel Verizon's confusion, on December 15, 2000, Intrado provided a copy of its authority to provide competitive local exchange services in Verizon's territory. Based on Intrado's representations about its status as a CLEC, Verizon's legal counsel agreed that Intrado is a telecommunications carrier entitled to interconnection under the Act. Verizon did not question Intrado's status as a telecommunications carrier or its right to interconnection from that point on.*

11. Verizon denies the allegations made in the eleventh unnumbered paragraph of the Petition, as phrased. As a CLEC, Intrado is entitled to interconnections under the Act, ~~but few of the unique arrangements that Intrado seeks fall within the ambit of 47 U.S.C. § 251 et seq.~~ Answering further, Intrado approached Verizon to form a strategic alliance with Intrado (then SCC Communications Corp.) regarding Intrado's ECN Services. As a potential strategic partner, certain Verizon representatives questioned the marketability of Intrado's concept. Throughout the negotiations, Verizon

As explained above, other competitive telecommunications services providers are offered more favorable terms and conditions regarding insurance coverage levels than those Verizon has demanded of Intrado, and requiring Intrado's contractors to carry such excessive insurance coverages would seriously hamper Intrado's ability to retain contractors. Accordingly, the disputed language should not be included in the Parties' agreement.

**Verizon's Alleged Position:**

Verizon's position is unclear at this time.

**Verizon's Actual Position:**

Per FCC requirements, Verizon generated last year a model interconnection agreement for its nationwide footprint containing, *inter alia*, terms regarding insurance. Verizon offered the terms of the model agreement to Intrado, just as Verizon offers them to all carriers. Contrary to the statements made by Intrado, Verizon does NOT treat similarly – situated carriers differently. To the extent that insurance requirements in individual interconnection agreements, they do so pursuant to risk assessment and commercially reasonable practices as permitted by applicable law. Requiring all small carriers, together with their contractors to carry certain levels of insurance serves to protect consumers as much as Verizon. As long as Verizon requires the same levels of insurance from similarly –situated carriers, there is no basis for any discriminatory claims.

Moreover, this issue remains unresolved because Intrado informed Verizon at the end on July 18 that it was changing insurance carriers and, therefore, could not commit to any language regarding insurance until Intrado secured its new insurance policy.

In the interim, Verizon has offered language that limits the applicability of the third-party insurance obligations if the CLEC can show that it has in excess of \$100 million in net assets available to satisfy any obligations accruing under the agreement. Verizon has also agreed to reduce the motor vehicle insurance obligations to \$1 million from \$2 million. Verizon is unable to agree to any lower insurance coverage, ~~especially in light of Intrado's contemplated use of~~

~~Verizon's 9-1-1 network and the extraordinary public safety risks that Intrado presents in fact, if Verizon were required to provide ALI Steering and to permit Intrado to aggregate CLEC 9-1-1 traffic (activities that Verizon does not believe to be proper subjects of a Section 251/252 interconnection agreement and therefore not included in the model agreement) it would, at minimum, require Intrado to carry a suitable amount of Professional Liability insurance to ensure proper protection against Intrado software failure.~~

**ARBITRATION ISSUE 6: New Template (9-1-1 Attachment) - Definitions.** Whether the Definitions section should: (1) reflect terms identified in the 9-1-1 Attachment and (2) reflect definitions adopted by the National Emergency Number Association ("NENA").

**Intrado's Position:** The Definitions section of the New Template should include definitions for terms of art that are identified and used in the New Template. Specifically, Intrado has proposed definitions for: "Database System," "E9-1-1," "National Emergency Numbering Association ("NENA"), "PAM Protocol," and "Public Safety Answering Point" ("PSAP"). Moreover, as Intrado proposed, the Definitions section of the 9-1-1 Attachment should define these terms using industry-standard definitions adopted by NENA.

**Verizon's Alleged Position:** Verizon requested that Intrado provide definitions that were consistent with those adopted by NENA. Verizon's representatives indicated that Verizon would review Intrado's proposed language, but Verizon has failed to do so. Verizon's position, therefore is unknown.

**Verizon's Actual Position:**

As a preliminary matter, it should be noted that everything that Intrado admittedly refers to as "the New Template" is not part of Verizon's model agreement. Nor does this "Attachment" belong in an interconnection agreement pursuant to 47 U.S.C. § 251 *et seq.* Indeed, no carrier anywhere in the U.S. has ever requested from Verizon what Intrado seeks in a local interconnection wireline agreement. ~~What Intrado proposes to do — the aggregation and transportation of 9-1-1 services for other carriers does not amount to a Telecommunications Service as defined by 47 U.S.C. § 153(46).~~ In testimony filed with the California Public Utility Commission, Cynthia Clugy of Intrado, describes Intrado as:

"the leading provider of 9-1-1 data management and selective routing services to *incumbent local exchange carriers ("ILECs"), competitive local exchange carriers ("CLECs"), integrated communications providers and wireless carriers* in the United States" (emphasis added).

~~Sections 251 and 252 of the Act, however, are limited to "telecommunications services" which are defined as "the offering of telecommunications for a fee directly to the public, or to such classes of users as to be effectively available directly to the public . . . ." (emphasis added).~~

~~ILECs, CLECs, integrated communications providers and wireless carriers do not constitute the public.~~

Notwithstanding its objections to including the "New Template" with 9-1-1 language in a § 251 interconnection agreement, Verizon agrees with Intrado that any contract addressing 9-1-1 issues should utilize industry-standard definitions adopted by the National Emergency Numbering Association ("NENA"). Prior to the filing of this Petition for arbitration, Verizon proposed contract definitions to Intrado consistent with the industry standards adopted by NENA. The Parties have now reached agreement on all definitions, except the one for "PAM Protocol." ~~Verizon does not agree that the definition for "PAM Protocol," which does not relate to any telecommunication service that Intrado has indicated an intention to offer, and does not belong in a local interconnection agreement, for the reasons stated above.~~

Given that Verizon currently utilizes PAM Protocol for ALI connectivity for its wireless affiliate and other telecommunications carriers, it would be inconsistent with Verizon's § 251 and § 271 obligations, and patently unreasonable, for Verizon to refuse to provide Intrado with PAM Protocol and ALI Steering.

**Verizon's Alleged Position:** During negotiations, Verizon requested information regarding provision of ALI Steering in Verizon's operating territories, and Intrado provided that information. Verizon also provided a template of its regional wireless New Template 9-1-1 Attachment, which makes PAM Protocol and ALI steering available as a standard offering. Verizon has characterized its offering of PAM Protocol to wireless providers as a fallout of the FCC's Phase I and II requirements from CC Docket 94-102. However, Verizon has failed to explain why, despite ALI Steering to its wireless affiliate, other wireless carriers, and Pacific Bell, Verizon need not provide the service to Intrado. Verizon's representatives indicated that Verizon would respond to Intrado's proposal, but Verizon has failed to do so. Verizon's position, therefore, is unknown.

**Verizon's Actual Position:**

Contrary to the assertion of Intrado, there are several legitimate reasons why Intrado is not entitled to PAM Protocol.

~~First, as previously noted, what Intrado seeks to provide is not a telecommunications service under applicable law.~~ Second, as Intrado, itself admits "PAM Protocol typically is used in conjunction with wireless on-call path-associated-signaling ("NCAS") to steer from one ALI database to another to retrieve ALI information." (Emphasis added). In fact, no CLEC has ever requested from Verizon PAM Protocol in a local interconnection agreement.

Second, Verizon provides ALI Steering to wireless carriers only in compliance with FCC regulations. Accordingly, Intrado's representations concerning Verizon 1) providing ALI Steering throughout its operating territory and 2) offering PAM Protocol as a standard offering is patently false.

Third, Intrado is similarly mistaken about its understanding of the requirements of 47 U.S.C. § 251 *et seq.* Inasmuch as Verizon does not provide ALI Steering to any other CLEC anywhere, Intrado's discrimination claims are without merit.

~~Fourth, what Intrado proposes to do with ALI Steering may run afoul of other contractual~~



~~and statutory requirements. In many jurisdictions, the use of the 9-1-1 network for anything other than 9-1-1 dialed calls is prohibited. For example, home security systems cannot be built into 9-1-1 systems in most states. The ACN proposal provides a service very similar to that of a home security system.~~

~~In addition, it is uncertain whether the ACN will accurately provide the caller's actual location, which may lead to problems in reaching the disabled vehicle. The information actually passed on by AAA is the nearest address to the caller's location geographically. This may or may not indicate the fastest way to reach that motorist or, in the case of a remote location, provide an address that is even near the actual location of the vehicle. For example, if an accident occurred on one side of a mountain, the nearest address from a bird's eye view might be on the other side of that mountain, but the motorist could be much more easily reached by a PSAP located on the same side of that mountain.~~

~~Most importantly, Intrado has only discussed ACN as one of their solutions that would utilize the Verizon emergency network and/or ALI Steering to process their "calls." The language in the Interconnection Agreement, as proposed by Intrado, would not be limited to ACN. And while Verizon may agree with the Intrado proposal for ACN in principle, this may not be true for all Intrado applications in the future.~~

~~Fifth, Intrado's proposed service presents public safety concerns. Intrado's concentration service proposal adds several additional points of failure, slows call processing, and offers no apparent benefit to the end user. As an example, in a typical 9-1-1 call, the call would be received in the local CLEC end office, it would be identified as an emergency call, and then would be routed to the appropriate Verizon E-9-1-1/9-1-1 Tandem. Once the call is received at the Tandem, it is selectively routed to the proper PSAP, and then the PSAP queries the Verizon~~

~~E 9-1-1/9-1-1 Database to extract the address and emergency information for the call. In this scenario, there are essentially four potential points of failure:~~

- ~~1. The trunk from the CLEC switch to the Verizon E 9-1-1/9-1-1 Tandem;~~
- ~~2. The Verizon Selective Router;~~
- ~~3. The trunks from the Verizon Selective Router to the PSAP; and~~
- ~~4. The link between the PSAP and the Verizon E 9-1-1/9-1-1 Database.~~

~~In Intrado's "Concentration" proposal, however, the potential points of failure include:~~

- ~~1. The trunk from the CLEC switch to the Intrado switch;~~
- ~~2. The trunk from the Intrado switch to the Verizon Point of Presence;~~
- ~~3. The trunk from the Verizon POI to the Verizon E 9-1-1/9-1-1 Tandem;~~
- ~~4. The Verizon Selective Router;~~
- ~~5. The trunks from the Verizon Selective Router to the PSAP; and~~
- ~~6. The link between the PSAP and the Verizon E 9-1-1/9-1-1 Database.~~

~~It is not clear how Intrado will determine how to selectively route this call to the proper Verizon E 9-1-1/9-1-1 Tandem in this situation.~~

~~Therefore, while this concentration service arrangement may be viewed as a convenience by CLECs and may indeed be an opportunity for Intrado to increase revenue, it significantly increases the potential for failure in the call by introducing additional points of failure. In addition, it may also contribute to delays in getting the call delivered to the appropriate PSAP.~~